

**Summary of Twenty-seventh Negotiation Session on
New Water Supply and Extended MOU Agreement**

Date of Session: April 25, 2005
Place: Santa Rosa Laguna Treatment Plant
Time: 9:00 AM – 10:30 PM

Parties Present and Represented:

Cities: Cotati, Petaluma, Rohnert Park, Santa Rosa, Sonoma and Windsor.
Special Districts: Sonoma County Water Agency, Valley of the Moon WD, North
Marin WD and Marin Municipal WD.
Absent: Forestville Water District

Attachment A contains complete list of attendees.

Approval of February 28, 2005 Negotiation Session Minutes:

After a recap by John Nelson, JONWRM, Mike Martini, City of Santa Rosa, made a motion to approve the minutes, and Krishna Kumar, Valley of the Moon Water District, seconded. All approved.

New Development, Efficiency and Water Use

Pam Torliatt, City of Petaluma, passed out some language amending Sections 2.5 Water Conservation, 2.8 Recycled Water and Local Supply Projects, 2.7 Water Management and 2.9 Planning Coordination of the proposed agreement. Jake Mackenzie, City of Rohnert Park, suggested how this would mesh with the Ahwahnee Water Principles should also be discussed. He distributed both the Principals and Local Government Commission article. The WAC scheduled these items for discussion at the next meeting.

Discussion of MMWD Option

Randy Poole, SCWA, said discussion was on going. In response to an inquiry from Jake Mackenzie, Paul Helliker, MMWD, said he would distribute copies of the letter sent to the Agency from MMWD on this subject. Paul Helliker said it was his view that the WAC's \$1.6 million was a counter offer and that now was the matter on the table and that he would be discussing it with his Board.

Status and Discussion of New Draft of Restructured Water Supply Agreement

John Nelson advised parties that meetings had been held with all the Water Contractor's (except Forestville WD) and that he was assembling the changes, many in the nature of typos and minor edits, and would be meeting with SCWA staff and counsel to prepare the

next draft of the agreement. He proceeded to outline some key issues and resolution of same as follows:

- ? Valley of the Moon “cap issue” and proposal to accommodate take in excess of VOM’s 3,200 afa cap by adding priority language to Section 3.3 – Deliveries in Excess of Entitlement Limits.
- ? Desire by a number of Water Contractors to see how allocation of water would look with the new language in Section 3.5(c)(2) pertaining to the term “reasonable requirements”, namely:

“The fundamental purpose of the “reasonable requirements” limitation is to ensure that no Customer receives more water during a shortage than that Customer reasonably needs. In determining “reasonable requirements” pursuant to this Section 3.5, the Agency shall take into account hardening of demand resulting from the level of conservation achieved by the Customer; the Agency may also take into account the extent to which the Customer has developed Recycled Water Projects and Local Supply Projects, and the extent to which the Customer has implemented water conservation programs (including compliance with the conservation provisions of this Agreement). It is the intention of the parties to this Agreement that the Agency make its “reasonable requirements” determinations so as to encourage Customers to implement water conservation, Recycled Water, and Local Supply Projects.”

An error in language regarding the charge to the Town of Windsor for water service from the Santa Rosa Aqueduct per Section 4.17 was also noted; namely to use 120% of the Santa Rosa Aqueduct rate instead of 120% of the highest rate paid by any Water Contractor.

Also discussed were proposed addition of language in Section 3.5(d) to assure prompt response to a declared temporary impairment, and Section 1.3 to make it clear that in the event the new agreement is at a later date found invalid, that the Eleventh Amended Agreement would remain in place.

A new draft of the agreement should be available by the next negotiation session and final allocation examples would be available when work is completed on the 2005 Urban Water Management Plan.

Next Agreement Negotiation Session (henceforth to be combined with Regular WAC Meeting):

Time and Date: 9:00 AM-12:00 PM, June 6, 2005
Place: Santa Rosa’s Laguna Treatment Plant

Attachments:

- A. List of Attendees, April 25, 2005 WAC Water Supply Negotiation Session

Attachment A

Attendees at WAC Water Supply Negotiation Session of April 25, 2005

Attendees:

Chris DeGabriele, North Marin Water District
Drew McIntyre, North Marin Water District
Jack Baker, North Marin Water District
Mike Ban, City of Petaluma
Pam Torliatt, City of Petaluma
Steve Simmons, City of Petaluma
Al Bandur, City of Sonoma
Mike Fuson, City of Sonoma
Randy Poole, Sonoma County Water Agency
Pam Jeane, Sonoma County Water Agency
Kiergan Pegg, Sonoma County Water Agency
Virginia Porter, City of Santa Rosa
Greg Scoles, City of Santa Rosa
Mike Martini, City of Santa Rosa
Paul Helliker, MMWD
Jon Mandell, MMWD
Dana Roxon, MMWD
Krishna Kumar, Valley of the Moon Water District
Sanford Smith, Valley of the Moon Water District
Darrin Jenkins, City of Rohnert Park
Jake Mackenzie, City of Rohnert Park
Matt Mullan, Town of Windsor
Paul Berlant, Town of Windsor
Toni Bertolero, City of Cotati
Janet Orchard, City of Cotati
John Nelson, JONWRM

Public Attendees:

Brenda Adelman, RRWPC
Tom Yarish, Friends of the Esteros